



COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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March 6, 2007

IN REPLY PLEASE

REFER TO FILE: **PM-3**

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**PUBLIC WORKS HEADQUARTERS SEISMIC RETROFIT PROJECT
APPROVE PROJECT BUDGET - SPECS. 5549R2; C.P. 70476
SUPERVISORIAL DISTRICT 5
3 VOTES**

**JOINT RECOMMENDATION WITH THE CHIEF ADMINISTRATIVE OFFICER THAT
YOUR BOARD, ACTING AS THE GOVERNING BODY OF THE LOS ANGELES
COUNTY FLOOD CONTROL DISTRICT:**

Approve the revised \$31,005,000 project budget to retrofit the Public Works Headquarters building.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended action will increase the budget of the Public Works Headquarters Seismic Retrofit project to reflect additional expenses that were necessary to minimize the project's impacts on Public Works' operations.

Background

On May 10, 2005, your Board authorized the delivery of the Public Works Headquarters Seismic Retrofit project. In order to minimize construction costs, your Board authorized Public Works to deliver the project through the use of Board-awarded Job Order Contracts. Your Board also approved a revised \$29,705,000 project budget, which reflected a \$3,695,000 reduction from the initial project budget estimate. Construction activities began on July 7, 2005, and the project is currently 80 percent complete.

Additional Project Requirements

In order to minimize the impact of construction on Public Works' daily operations in the building and maintain the project's schedule, it has been necessary for Public Works to implement certain mitigation measures. Such measures include the:

- construction of temporary barricade walls for each of the 12 project phases to separate the construction area from the building's interior. This required the relocation and reconfiguration of all workstations located on the perimeter of the building and the installation of sound blankets on either side of the wall;
- scheduling of reconfiguration work and work with excessive construction noise to off-hours and weekends;
- continuous cleaning of the workstations and offices adjacent to the barricade wall, at a level of frequency that far exceeded what is typically provided in a standard construction project; and
- acquisition of new materials to properly restore areas affected by the construction activities in situations where existing finishes cannot be reused.

The above conditions contributed to an overall increase in the projects' construction cost. The additional \$1,300,000 will assure the successful completion of the project. The \$31,005,000 revised project budget represents a \$2,395,000 net reduction of the initial \$33,400,000 estimated project budget.

Implementation of Strategic Plan Goals

These actions meet the County Strategic Plan Goal of Service Excellence as this project will support the hazard mitigation of this public facility and ensures the availability of support for the community after a major disaster, and contributes to Fiscal Responsibility as the project is an investment in public infrastructure.

FISCAL IMPACT/FINANCING

The \$31,005,000 revised budget is \$1,300,000 over the previous budget of \$29,705,000 approved by your Board on May 10, 2005.

There will be no impact to the County's General Fund. The project is being financed by a FEMA Hazard Mitigation Grant for \$9,750,000; proceeds of a long-term, tax-exempt bond issue approved by your Board on May 10, 2005, for \$20,540,000; and matching funds for \$708,000 from the Fiscal Year 2006-07 Flood Control District. The bonds will be repaid from resources of the Flood Control District. The Flood Control District intends to recover a portion of the annual debt service payments from tenants at the headquarters complex over the anticipated 20-year amortization repayment period.

The Project Schedule and Budget Summary are included in Enclosure A.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Not applicable.

ENVIRONMENTAL DOCUMENTATION

On June 17, 2003, your Board approved a Mitigated Negative Declaration and adopted a Mitigation Monitoring and Reporting Program for the project.

CONTRACTING PROCESS

On May 10, 2005, your Board authorized the Director of Public Works to deliver the project via the use of Job Order Contracts.

The Honorable Board of Supervisors
March 6, 2007
Page 4

IMPACT ON CURRENT SERVICES (OR PROJECTS)

To mitigate construction impacts to occupants, a portion of the construction activities for the seismic retrofit takes place during off-hours and weekends when Public Works employees are not at work. The headquarters building will remain open throughout the entire construction period.

CONCLUSION

Please return one adopted copy of this letter to the Chief Administrative Office (Capital Projects Division) and Public Works.

Respectfully submitted,

DONALD L. WOLFE
Director of Public Works

DAVID E. JANSSEN
Chief Administrative Officer

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Enc.

cc: Auditor-Controller
County Counsel
Office of Affirmative Action Compliance

March 6, 2007

ENCLOSURE

**PUBLIC WORKS HEADQUARTERS SEISMIC RETROFIT PROJECT
APPROVE PROJECT BUDGET
SPECS. 5549R2; C.P. 70476**

I. PROJECT SCHEDULE

Project Activity	Scheduled Completion Date	Revised Completion Date
Board Authorization	03/16/99*	
Notice to Proceed	04/01/99*	
Project Definition/Program	05/22/00*	
Design Contract Execution Supplemental Agreement Construction Document Submittal Jurisdictional Approval	06/20/02* 06/02/03* 06/02/03*	
Construction Bid and Award	05/17/05*	N/A
Construction Substantial Completion - Seismic Retrofit Acceptance - Seismic Retrofit	04/05/07 05/17/07	05/31/07 06/30/07

* Indicates completed activity

II. PROJECT BUDGET SUMMARY

Budget Category	May 10, 2005 Proposed Project Budget	Impact of this Action	Revised Project Budget
Land Acquisition	0	0	0
Construction			
(a) Hard Construction	\$19,515,067	\$ 418,000	\$19,933,067
(b) Change Orders	\$ 1,956,227		\$ 1,956,227
(c) Supplement		\$1,314,275	\$ 1,314,275
(d) Steel Price Contingency	<u>\$ 418,000</u>	<u>(\$ 418,000)</u>	
Subtotal	\$21,889,294	\$1,314,275	<u>\$23,203,569</u>
Equipment	0	0	0
Plans and Specifications			
(a) Design Seismic Retrofit	\$ 3,897,822	0	\$ 3,897,822
(b) Design Supplements 1 and 2	<u>\$ 23,060</u>	0	<u>\$ 23,060</u>
Subtotal	\$ 3,920,882	0	\$ 3,920,882
Consultant Services			
(a) Project Management	\$1,151,395	0	0
(b) Abatement Monitoring	\$ 200,000	0	0
(c) Gordian Group	\$ 50,000	0	0
(d) Special Inspections	<u>\$ 622,981</u>		
Subtotal	\$ 2,024,376		
Miscellaneous Expenditures			
(a) Office of Affirmative Action	\$ 6,510	0	0
(b) Printing/Legal Advertising	\$ 97,204	0	0
(c) Other	<u>\$ 35,000</u>	0	0
Subtotal	\$ 138,714		
Jurisdictional Review and Plan Check			
(a) Building and Safety	\$ 106,351	0	0
(b) Materials Engineering	<u>\$ 10,000</u>	0	0
Subtotal	\$116,351	0	0
County Services	\$1,615,383	(\$ 14,275)	\$1,601,108
TOTAL	\$29,705,000	\$1,300,000	\$31,005,000